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E-biz onslaught will affect jobs

DIGITAL SURVIVAL

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Ogden Nash said that "progress is great, but it has gone on far too long." That might be a clever response to the massive changes occurring around us. If taken too seriously, it could also be a very dangerous attitude.

What a lot of people don't realize is that their jobs and, indeed, their careers are probably going to be at risk through the next five or 10 years if they are unwilling to cope with Internet-related change. They don't appreciate that we are in the early stages of an absolutely massive economic restructuring, triggered by the onslaught of E-biz.

Think about it this way: For the past 30 or 40 years, most computerization efforts within companies and organizations were limited to internal activities. We've spent a huge amount of effort to install inventory, financial management, manufacturing, ordering, document management and all kinds of other computer systems to help streamline internal activities.

Yet few organizations have extended their efforts to the outside world. That is now changing with the Internet.

Consider the recent news out of **GM** and **Ford**, which plan to move virtually all their purchasing — several hundred billion dollars worth of transactions involving everything from paper clips to seat covers — to the Internet. This is no small change. Indeed, hundreds of thousands of people within these companies and within their supplier base are going to find that their jobs will change with this new way of doing business.

And the reality is that some will find themselves pushed out the door as their skills become irrelevant or unwanted.

Internet-based restructuring is going to create a lot of career and job upheaval, yet all kinds of people have their heads in the sand about the magnitude of the change. I've encountered such blindness before. As a chartered accountant, I spent a lot of time working with a range of companies when many organizations were first computerizing their operations 20 years ago.

I vividly remember an employee of one of our client companies who was responsible for the accounts payable department, a job she had held for some 25 years. Rather set in her ways, she was extremely resistant to efforts to computerize her department. She fought back, and generally didn't help matters out. She was eventually shown the door.

Far too many folks will repeat this experience in the years to come — as it is often darkly said, "resistance is futile." The fact is, some sectors are already in the midst of Internet-influenced job restructuring.

Consider the announcements of massive layoffs over the past few weeks by some of Canada's major banks. Cynics within the financial sector and beyond believe it is part of an evil management plot to show people the door in order to swell the bottom line.

It is far more likely that a lot of these job losses are being triggered by the fact that banks are finally reacting to the competitive realities imposed by the Internet and E-commerce. They suddenly find themselves in a far more competitive environment as a result of the global nature of the Internet, and need a new mindset to deal with the challenge.

As more people do their banking and investing on-line, the simple reality is that the job skills bank employees require are changing.

The digital age is demanding new capabilities from people at every level. Individuals who can understand the change around them as a result of the wired economy, and who are willing to change with their companies, will find this could be the key to long-term survival.

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